



News Release

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Workers at Mishawaka's SPX Contech eligible for federal aid

INDIANAPOLIS (June 23, 2006) – The Indiana Department of Workforce Development announced today that the U.S. Department of Labor has ruled that former employees of Mishawaka's SPX Contech, including workers leased from Peoplelink, are eligible to receive federal Trade Adjustment Assistance (TAA).

The TAA program, which is administered at the state level by the Indiana Department of Workforce Development, is made available to workers who are displaced due to foreign imports or shifts in production out of the country.

In order for dislocated workers to be eligible for TAA benefits, a company executive, union representative or three former employees must file a petition with the Department of Labor and it must be approved before benefits can be released. A company official filed a petition on behalf of the workers on November 18, 2005.

The Department of Labor investigation found that employment and sales at the subject firm declined from 2003 to 2004 and in January through October 2005, when compared to the same time period the previous year. A department survey revealed SPX Contech lost bids to produce magnesium castings that were granted to foreign firms, or firms that will have portions of the production done in foreign countries. Consequently, workers at the Mishawaka, Indiana SPX Contech plant qualified for TAA benefits and the findings were certified on December 23, 2005. With the ruling, any employee who has been or will be totally or partially separated from employment on or after November 1, 2005 through December 23, 2007 is eligible to apply for adjustment assistance.

The TAA program provides a variety of benefits and services to help unemployed workers prepare for and obtain suitable employment. Workers may be eligible for a variety of re-employment services, job search and relocation allowances and training. In addition, weekly trade re-adjustment allowances may be payable to eligible workers following the exhaustion of unemployment insurance benefits.

Additionally, the Department of Labor issued a certification for alternative trade adjustment assistance (ATAA) for separated older workers at the Mishawaka SPX Contech plant. It was found that a significant number of workers at the company age 50 or over possess skills that are not easily transferable and that competitive conditions within the industry are adverse. Older workers may choose between regular TAA benefits or a wage subsidy of 50% of the difference between their new salary and old salary, up to \$10,000.

Eligible parties may contact the South Bend WorkOne at (574) 237-9675, or any WorkOne Center for more information.

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